

ORIGINAL

Decision No. 73631

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of
the Southern California Water Company
for an order authorizing sale and
transfer of certain water system
properties to the City of Anaheim
and approving a water rate for
temporary service to the City of
Anaheim.

Application No. 49804
Filed November 17, 1967

O P I N I O N

Southern California Water Company requests authority to sell and transfer to the City of Anaheim certain public utility water properties and to carry out a related arrangement under which temporary resale service to the City of Anaheim would be rendered.

Applicant is a California corporation and a public utility and as such engages principally in the business of producing, distributing and selling water in certain areas in the counties of Los Angeles, Kern, Orange, San Bernardino, Ventura, Imperial, Contra Costa and Sacramento, and also engages as a public utility in distributing and selling electricity at Bear Valley in San Bernardino County. The distribution plant, which is the subject of the sale herein considered, includes 5,500 feet of transite water mains ranging in size from 4 to 8 inches in diameter, and 135 services and meters and serves Tracts Nos. 4181 and 4397, situated near the intersection of Orangethorpe Avenue and Orchard Drive in the city of Anaheim.

The buyer is a political subdivision of the State of California and has entered into an agreement dated September 29, 1967 to acquire the aforesaid water distribution system properties, which are more fully described therein, for a consideration of \$17,632 in cash plus the assumption by the City of Anaheim of the obligation for unrefunded advances of \$20,428.72. A copy of the agreement is attached to the application. The book cost to the applicant of the properties to be sold is alleged to be \$36,653.76.

Applicant alleges that the proposed transaction is the result of and seeks to implement a long-standing understanding reached between the City of Anaheim and applicant to the effect that, after the City of Anaheim annexed the area involved in this application and expressed its desire to serve the residents of that area, applicant would seek authority from the Commission to sell the water distribution system properties as herein set forth.

Applicant will retain the two wells together with their lots, pumps and related electrical and control equipment located in Tract No. 4181 in order to render water service to neighboring areas outside the City of Anaheim. Until the City of Anaheim completes in about one year's time construction of feeder mains necessary to serve water to Tracts Nos. 4181 and 4397, applicant proposes also to supply water from these wells to the City of Anaheim for distribution to the customers in said tracts. Applicant proposes to charge the City of Anaheim for this water on the basis of the consumption shown on the customers' meters plus 10 percent at the then-current rate for filtered and chlorinated Metropolitan Water District water plus 10 percent. For the fiscal year July 1, 1967 to June 30, 1968, applicant has computed that the charge to the City of Anaheim for this water would be \$47.30 per acre-foot.

The water rates, which will be charged by the City of Anaheim to the customers who will be served by it if this application is granted, are set forth in excerpts from Resolution No. 64R-214, as revised, and in the Rules and Regulations of the Anaheim City Water Department, which comprise Exhibit E attached to the application. The only water service agencies having any interest in this proceeding are applicant and the City of Anaheim. The only other entity serving water in the general vicinity of Tracts Nos. 4181 and 4397 is the Yorba Linda County Water District, and a copy of this application was mailed to said district.

After consideration, the Commission finds that the transfer and temporary resale service as proposed would not be adverse to the public interest and that upon consummation of the transfer public convenience and necessity will no longer require applicant's public utility water service within the area covered by this application. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. After the effective date hereof and on or before January 1, 1969, Southern California Water Company may sell and transfer to the City of Anaheim the public utility water system properties described in the agreement between applicant and the City of Anaheim dated September 29, 1967, Exhibit B attached to the application, substantially in accordance with the terms set forth in said agreement, but subject to the conditions of this order.

2. On or before the actual date of transfer, applicant shall return to customers any refundable deposits made to establish credit and shall refund the advances for construction, if any, which are subject to refund, for which the obligation of refunding has not been assumed by the City of Anaheim. Within ten days thereafter it shall advise the Commission in writing that such refunds have been made.

3. Concurrently with the consummation of the transfer, applicant is authorized to file either an appropriate rate schedule or contract covering the temporary resale service to the City of Anaheim. The charges for such service shall be based upon the current rate for filtered and chlorinated Metropolitan District water and computed in the manner set forth in the application. Such filing shall comply with General Order No. 96-A.


4. Within thirty days after the consummation of the transfer herein authorized, applicant shall notify the Commission in writing of the date thereof.

5. Within thirty days after the date of actual transfer, applicant shall amend its tariffs presently on file with this Commission reflecting the change in its service area herein authorized.

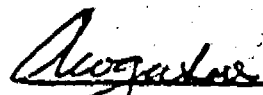
6. Upon compliance with the conditions of this order, and after termination of the temporary resale service to the City of Anaheim, Southern California Water Company shall stand relieved of all further public utility obligation in connection with the operations of the public utility water distribution system herein authorized to be transferred.

The effective date of this order shall be the date hereof.

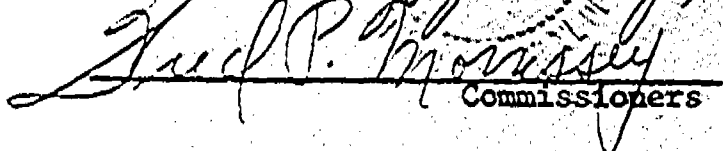
Dated at San Francisco, California, this 16th day of JANUARY, 1968.



President







Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.